

**TO:** PEF Executive Council, Field Staff, and L/M Chairs  
**FROM:** PEF Civil Service Enforcement/Research Department  
**DATE:** September 2022  
**RE:** Understanding Title and Salary Adjustments: Salary Grade Reallocation, Title  
Reclassification & Salary Differentials

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The purpose of this memorandum is to advise PEF Executive Council, Field Staff, L/M Chairs, and Members on what salary grade reallocations (reallocation), title reclassifications (reclassification) and salary differentials are, what the request processes entails, and what roles, the agency, the Division of Classification & Compensation (C&C), employees, and PEF have in contributing to the request package.

PEF's organization structure provides for statewide L/M committees as the preexisting mechanism through which reallocations, reclassifications, and salary differentials are pursued. Per the Director of State Operations, **agencies are responsible for facilitating the process, initiating, and filing any reallocation, reclassification, and salary differential requests for positions in their agency.** If an agency is actively pursuing these titles and salary adjustments, PEF's Civil Service Enforcement/Research (CSE/R) Department can assist the agency in compiling the most compelling package by providing materials such as classification standards for comparable titles, composite report data, and providing notes on draft proposals. L/M Chairs or Field Representatives can submit data requests on behalf of the agency. PEF has limited information and data on topics such as retention and recruitment difficulties, and therefore the agency must provide most of the requisite supporting documentation. Finally, agencies cannot be compelled to pursue title and salary adjustments.

**Agency support and funding are essential components in the successful pursuit of title-wide reallocation, reclassification, or salary differential approval.** Rarely are title and salary adjustments approved without the explicit support of the agency that the title exists in. In this case, "support" is considered a written agreement by the agency to pursue an adjustment and the assignment of agency staff to work on the request. Further, the adjustment of multi-agency titles requires the support of management at each agency in which the title exists. Once an agency is committed, they will write a convincing factual-based case, or justification, to submit to C&C. C&C responds to each point made, so the justification must be based on specific arguments and evidence not anecdotal information or hearsay.

Our goal is to provide an understanding of the processes set forth by C&C and assist PEF staff, leaders, and members to best frame their requests to achieve their desired outcomes. Please direct any questions to [PEFResearch@pef.org](mailto:PEFResearch@pef.org).

## Understanding the Reallocation, Reclassification and Salary Differential Request and Justification Process

<p><b>What is the purpose of the NYS Department of Civil Service, Division of Classification &amp; Compensation (C&amp;C)?</b></p>	<p>The Division of Classification and Compensation (C&amp;C) is responsible for properly classifying, allocating, reclassifying, and reallocating competitive class positions to the appropriate salary grade and investigating all matters regarding a title which may be allocated to an appropriate salary grade.</p> <p>C&amp;C sets the submission and justification process for reallocation, reclassification, and salary differential requests.</p>
<p><b>What mechanisms does C&amp;C have at its disposal, under Civil Service Law, to adjust salaries and/or titles for specific titles?</b></p>	<ul style="list-style-type: none"> <li>• <b>REALLOCATION:</b> <u>To change the salary grade with no change in title</u> when there is evidence that a class is undervalued in relation to similar positions in State service, based on objective characteristics, such as duties, responsibilities, and minimum qualifications. Any associated changes made are <u>permanent</u>.</li> <li>• <b>RECLASSIFICATION:</b> <u>To change the title of an existing position based on a significant change in duties and responsibilities.</u> Requires a material change in the duties and responsibilities of a title. Changes must be substantive and long-term in nature and alter the core duties and responsibilities of a class. Any associated changes made are <u>permanent</u>.</li> <li>• <b>SALARY DIFFERENTIALS:</b> <u>Increase compensation</u> for specific titles and positions across occupations, geographic areas, and shifts to address recruitment and retention issues <u>caused by market circumstances</u>. Salary differentials include:             <ul style="list-style-type: none"> <li>a) Appointment Above Minimum Salaries; b) Increased Hiring Salaries; c) Shift Pay Differentials; d) Geographic Pay Differentials. Differentials <u>may be changed, revoked, and do not automatically transfer</u> with the employee.</li> </ul> </li> </ul>
<p><b>How does C&amp;C differentiate between these mechanisms?</b></p>	<p><b>Reallocation &amp; Reclassification:</b> C&amp;C uses these tools to equalize jobs with other positions <u>within</u> the State’s workforce.</p> <p><b>Salary Differentials:</b> C&amp;C uses salary differentials to increase the market competitiveness for the purposes of recruitment and retention with those of <u>outside</u> employers.</p>

<p><b>Is terminology important? For example, isn't a reallocation also known as an "upgrade", and don't reclassifications come with reallocations?</b></p>	<p>Reallocations are often referred to as "upgrades" – mistakenly. A reallocation review by C&amp;C can result in no change in salary grade, an increase in salary grade, or a decrease in salary grade.</p> <p>Reclassification is a change in title of an existing position based on a change of duties and/or responsibilities. When reclassification of a position is approved, the review can have an impact on salary, but a salary increase is not guaranteed; therefore, any associated salary increase is incidental and not considered a reallocation.</p> <p>Position classification is utilized to ensure parity within the State's workforce, and a review can result in the above outcomes.</p>
<p><b>Does C&amp;C have final approval of submitted requests?</b></p>	<p>No. The Director of the Division of the Budget has final determination and may either approve or deny recommendations made by the Director of C&amp;C or the Civil Service Commission (CSC) on appeal.</p>
<p><b>What are the key entities involved with these title and salary requests?</b></p>	<ul style="list-style-type: none"> <li>• Agency Representatives (a joint labor/management committee; is required if a title spans multiple agencies);</li> <li>• C&amp;C; and</li> <li>• Employees, Statewide Field Rep &amp; Statewide Labor/Management Chairs.</li> <li>•</li> </ul>
<p><b>Can PEF submit requests for reallocation or reclassification?</b></p>	<p>No. In 2001, the Director of State Operations sent a memo to State agencies stating that appointing officers and representatives of management are not to endorse applications for reallocation or reclassification that have been submitted by individuals, groups of employees, or employee unions. Rather, appointing officers were directed to initiate and file requests for reallocation and reclassification for positions in their agency with the Director of Classification and Compensation.</p>
<p><b>Can PEF submit requests for salary differentials?</b></p>	<p>The only salary differential that PEF can request "independently" of an agency is a Geographic Pay Differential. See below for the information that an agency would still need to provide the Field Representative and L/M Chairs.</p> <p>While PEF can submit a letter to C&amp;C requesting the approval of a Geographic Pay Differential, required information such as</p>

	<p>documentation of recruitment efforts and turnover data is collected and maintained by the agency. Additional information held by the agency includes steps taken to address staffing challenges; advertising efforts; and cost estimates (see Appendix A).</p>
<p><b>What assistance will CSE/R Department provide the Field Representative or L/M Chairs in the pursuit of a reclassification or reallocation for all employees in a title?</b></p>	<p>CSE/R can provide the Field Representative or L/M Chairs materials such as classification standards for identified comparable titles and composite report data (title vacancies, position status, and total employees).</p> <p>At the agency's request, CSE/R will review, edit, and give notes on draft justification proposals. CSE/R does not review or comment on preliminary proposals written by members to submit or present to the agency as these documents are not part of the C&amp;C process.</p>
<p><b>What will an agency's written justification include?</b></p>	<p>A convincing factual case based on a significant and long-term change of the related education and experience, communication, complexity, job demands, managerial activities, responsibility, and supervision of the position(s).</p>
<p><b>What is the role of PEF CSE/R Department?</b></p>	<p>CSE/R is only involved with reclassification and reallocation requests at the invitation of the agency – to review proposals and to provide any relevant data that PEF may hold. L/M Chairs or the Statewide Field Representative may request this information.</p> <p>CSE/R can draft and submit requests for Geographic Pay Differentials as long as the requisite information from the agency is provided. A list of the required information is detailed in Appendix A.</p>
<p><b>How long does a request take to be approved, denied, and/or appealed?</b></p>	<p>On average, given the work and communications involved by agencies and C&amp;C, reallocations can take anywhere from 3-5 years, and is ultimately a collaboration between C&amp;C, the L/M Chairs, and the agency</p> <p>Based on the scope and complexity of a request reclassification and salary differential decisions can be made more quickly.</p>

## Appendix A: Required Information from Agency for Geographic Pay Differential

Generally, agencies will submit salary differential requests directly to the Division of Classification and Compensation. If agency will not, PEF's Civil Service Enforcement/Research (CSE/R) staff will need the following detailed information and documentation before a written request can be drafted. Unless otherwise indicated the agency is the custodian of the records below:

- A letter signed by an agency representative supporting the requested Geographic Pay Differential.
- Recruitment difficulty for a class:
  - Duration of recruitment difficulty.
  - Specific steps taken to address staffing challenges.
- Recruitment difficulty in a geographic area:
  - Duration of recruitment difficulty.
  - Specific steps taken to address staffing challenges.
- Documentation of recruitment and advertising efforts, including:
  - Advertising medium
  - Duration of each advertisement
  - Cost of each advertisement
  - Total advertising cost
- Eligible list information (i.e., age of list, eligible candidates in an area) \*.
- Vacancy and turnover data regarding a class.
- Salaries offered for similar positions by other employers in the same geographic area\*.
- Associated cost estimates of the differential being requested.

\*PEF CSE/R can provide this information

## Appendix B: Checklist for Requesting a Reallocation/Reclassification

<b>Step 1</b>	<ul style="list-style-type: none"> <li>• Member(s) contacts Field Representative or statewide Labor/Management (L/M) Chairs about pursuing either a title or salary grade review.</li> <li>• The Statewide Field Representative and L/M Chairs determine whether to pursue review with the agency. Considerations may include:             <ul style="list-style-type: none"> <li>○ The merits of the request; When the last review occurred; How many individuals are in the title statewide; Which agencies these titles exist in – if a title spans multiple agencies, a joint L/M committee will need to be established to ensure that all agencies support the reallocation or reclassification.</li> </ul> </li> </ul>
<b>Step 2</b>	<ul style="list-style-type: none"> <li>• If the L/M Chairs agree to pursue the review, they place the reclassification or reallocation on the L/M agenda.</li> <li>• L/M Chairs should be prepared to discuss specifics as to why an agency should consider the review being requested:             <ul style="list-style-type: none"> <li>○ a) How have the seven classifications factors changed since the title was last allocated/classified (see Appendix C for more information on classification factors);</li> <li>○ b) How is the title <i>different</i> from those related classes allocated to lower grades that would warrant a salary grade increase or title change?; and</li> <li>○ c) How is the title <i>similar</i> to those related classes allocated to higher grades that would warrant a salary grade increase or reclassification?</li> </ul> </li> </ul>
<b>Step 3a</b>	<ul style="list-style-type: none"> <li>• The agency can say no immediately. L/M Chairs might ask about past sponsoring of reallocations and what threshold would need to be met for the agency to consider sponsoring a reallocation in the future. However, if an agency says no – the application cannot be made.</li> <li>• PEF cannot compel agencies to submit reallocation or reclassification requests.</li> </ul>

<b>Step 3b</b>	<ul style="list-style-type: none"> <li>• The agency can stall by saying they support the idea, but cannot support the effort because there are no funds, or they need more data, etc. Stalling is a gentle no; ultimately, until the agency says they see why a review is needed and come up with a timeline for submission the application will not be made.</li> <li>• PEF cannot compel agencies to submit reallocation or reclassification requests.</li> </ul>
<b>Step 3c</b>	<ul style="list-style-type: none"> <li>• The agency says yes and develops a submission plan and timeline with the L/M chairs.</li> <li>• The agency says yes, depending on other agencies joining the effort – L/M chairs should see what the agency is willing to do to get other agencies on board.</li> </ul>
<b>Step 4</b>	<ul style="list-style-type: none"> <li>• Agency submits proposal to C&amp;C.</li> </ul>
<b>Step 5a</b>	<ul style="list-style-type: none"> <li>• If approved, C&amp;C forwards the proposal with C&amp;C recommendations to the Division of Budget (DOB).</li> <li>• DOB cannot be compelled to approve C&amp;C recommendations.</li> </ul>
<b>Step 5b</b>	<ul style="list-style-type: none"> <li>• If rejected, the agency can appeal the decision to the CSC. The CSC can overrule C&amp;C's decision and send the request to DOB for final approval.</li> </ul>

## **Appendix C: Job Classification Factors**

### **Classification Factor 1: Education & Experience**

*(Source: C&C Update April 2016)*

- This factor entails the amount of relevant job experience and the academic preparation required at the entry level of the class.
- It evaluates the level of knowledge and skills necessary to successfully perform the major duties of the class, which is essential to setting the allocation.
- Major duties form the basis for the position's existence, encompass the majority of the person's time, and serves as the basis for the requirements of the position. Therefore, bonafide occupational qualifications are the focus rather than what is preferred or the education and experience of specific employees or candidates.
- All things being equal, a job that requires greater level education and experience will be allocated at a higher grade than one with less stringent requirements.
  - For example, a Nurse 2 is required to have a license and registration to practice nursing, and one year of post-licensure clinical experience, which results in a Grade 16 allocation. By contrast, a Highway Maintenance Worker 1 must possess a Commercial Driver's License to perform the essential duties of the job, one-person plowing. This title is allocated to a Grade 8.
- Education and experience must be reasonable and relevant to the position.

### **Classification Factor 2: Responsibility**

*(Source: C&C Update May 2016)*

- This factor measures the impact of work performed by the class on people, the organization, and its resources. Every position exercises some degree of responsibility, large or small.
- A position may be responsible for the leadership of a large, diverse, and active program while another position may be limited to performing routine and repetitive work with little opportunity for exercising independent judgement. The fact that positions may have the same reporting relationship does not equate to similar level of responsibility.
- The scope and level of a position's responsibility is critical in evaluating classification requests.
- Although a position's responsibility extends to both supervisory and non-supervisory areas, comparative analysis often reveals an interrelationship between factors such as responsibility, supervision, and difficulty of work. This is to be expected as details about the type and level of supervision will likely point toward increased responsibility and difficulty. When a position has greater responsibility, its duties are often more difficult; when a position has less responsibility, its duties are often less difficult.
- Even though many classes are inextricably linked to supervisory responsibility, and supervisory span of control, responsibility exists outside of circumstances surrounding direct supervision.

- The responsibility of a position is relative to its organizational context. This requires an understanding of the scale of authority of positions both below and above the position under review.
- Often, higher level of responsibility is found in occupational areas requiring knowledge, skills, and abilities in professional areas. Those would include titles requiring an advanced education or credential, or both.

### **Classification Factor 3: Communication**

*(Source: C&C Update September 2016)*

- This factor assesses the nature and extent of oral and written communications required to accomplish work in conjunction with others, including contacts beyond the immediate hierarchy. This may include completing forms, writing original documents, or editing materials prepared by others in subject areas ranging from simple to highly technical.
- It may also involve teaching, advising, giving directions or providing instructions, leading and planning meetings and workshops, and making other work-related contacts with the public, other employees, and institutionalized individuals. Communication is one of the factors where a logical progression can be obvious.
- Evaluation of this factor entails a combination of elements reflecting the nature of the communication and the individuals receiving the communication.

### **Classification Factor 4: Complexity**

*(Source: C&C Update November 2016)*

- This factor covers the nature and variety of tasks, steps, processes, methods and activities in the work performed; and the degree to which the employee must vary the work, discern interrelationships and deviations, or develop new techniques, criteria, or information.
- At the low end of the complexity scale, the work involves few, clear-cut and directly related tasks or functions.
- Other elements to consider when assessing complexity in work are:
  - *Status of Work:* How is work assigned? What other positions handle the work before and after it leaves the subject position?
  - *Selection of Assignments:* How are assignments determined? Are assignments pre-reviewed by supervisors or managers? What procedures are followed? What processes performed? What plans or actions are initiated or developed by the position? What independence or authority does the incumbent have to make decisions? What types of decisions are made? How much precedence influence such actions?
  - *Control of Position's Work by Others:* How much technical supervision over assignments is exercised by supervisors or managers?

### **Classification Factor 5: Supervision**

*(Source: C&C Update June 2016)*

- This factor addresses both supervision exercised, and supervision received. Supervision is not merely signing off on time and attendance. The Cambridge Dictionary states, to supervise is “to be responsible for the good performance of an activity or job.”
- Supervision entails assuming responsibility for the work of others by directing the work, reviewing it, ensuring those performing the work receive appropriate training, assessing employee performance, and being responsible for resolving work problems.
- Supervision usually includes having a significant say in hiring decisions.
- It is considered a factor when the supervisory responsibility requires a sufficient amount of time, such that the focus or nature of the job is impacted. Generally, this occurs when at least two full-time employees, who are performing the full range of duties of an occupation, report directly to the item in question.
- Supervisory responsibility impacts the allocation of a title: considerations include how many supervised; the level of the work (typically reflected in the allocations of those performing it); the scope of the work, and the range of duties performed by those supervised.
- Supervision received is evaluated in terms of how direct and how much supervision is provided. Although trainees and new employees often receive more supervision, the focus for classification purposes should be on how much supervision is typically provided to the position or group of positions.
- Supervisory activities in all ranges are closely related to activities involving the direction of work, which are considered under the Managerial Activities factor, and the Responsibility factor.

### **Classification Factor 6: Managerial Activities**

*(Source: C&C Update July 2016)*

- A manager in an organization coordinates the efforts of people to accomplish goals and objectives using available resources efficiently and effectively. Major activities of managers include planning, organizing, staffing, leading/directing, and controlling.
- In classification, once the job is identified as managerial, the relative level of the class needs to be determined. There are typically three levels of management: top or executive level, mid-level, and first-level.
- Determining the level of manager includes looking at the other classification factors required to perform the job successfully.

### **Classification Factor: Job Demands**

*(Source: C&C Update August 2016)*

- Job demands in this instance do not refer to the supply and demand of employees in an occupation. They instead deal with work pace and the nature and impact of time constraints on decision making and the conduct of work. They also relate to task repetitiveness, physical demands, and environmental conditions encountered.
- Allocation analysis of this factor takes into consideration a number of elements contributing to the overall nature of work, including presence or absence of repetition, the presence of time limits directing work output, the need for decision-making and environmental conditions present.
- Certain job demands inform right-to-know training and use of equipment to minimize exposure or worker injury or disability pursuant to federal Occupational Health and Safety Agency laws and regulations, and New York State's Public Employees Safety and Health Act. For people or workplace hazards, worksites may qualify for a hazardous duty differential to compensate employees for such assignments.
- In addition to allocation, job demands analysis assists the Department of Civil Service in the design of examination and minimum qualifications, placement of titles in the appropriate jurisdictional classification, and establishment of hazardous duty pay.

## Appendix D: Pay Equity Study

The results and recommendations of the Pay Equity Study were released June 6, 2022, and are available via the Department of Civil Service website:

<https://www.cs.ny.gov/extdocs/pdf/WageEquityReport.pdf>

The study did not provide granular recommendations on a title-by-title basis; instead, its objectives were to identify female-dominated job titles that have been devalued and should be further examined by the Division of Classification and Compensation (C&C).

The most salient recommendation of the study is that C&C develop a new wage compensation system for the State, to reflect changes in work since the existing evaluation system was developed in the 1980s. For your reference, the current evaluation system is comprised of the job classification factors outlined in Appendix C.

C&C is in the beginning stages of hiring a consultant to implement a new statistically based quantitative job evaluation system to administer the State's compensation plan. They recently released a Request for Information (RFI), with responses due back August 16, 2022., In the meantime the pause on considering reallocations and reclassifications has been lifted.